MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2015/2016

TIA3121 – INFORMATION SYSTEMS AUDIT

(All sections / Groups)

2 JUNE 2016
9.00 am – 11.00 am
(2 Hours)

Question	Marks
1	
2	
3	
4	
5 OR 6	
TOTAL	

INSTRUCTIONS TO STUDENT

1. This question paper consists of 11 pages with **SIX** questions only.
2. Attempt **ALL** questions and **Part A** and only **ONE** in **Part B**.
3. All questions carry equal marks and the distribution of the marks for each question is given.
4. Please write all your answers in the **blank spaces** provided.

Part A: Answer All Questions.

QUESTION 1

(a) What are TWO objectives of Information Technology Governance? How would financial audits be closely related to IT audit?

[3 marks]

(b) Compare preventive and detective controls. Indicate the types of control for each of the following procedures:

(i) Authorizing a credit sale
(ii) Preparing a bank reconciliation
(iii) Locking the warehouse
(iv) Counting inventory

[3 marks]

Continued.....

(c) Describe the types of evidences an IT auditor might gather.

[4 marks]

QUESTION 2

(a) How would a complete disaster recovery plan help to mitigate organization's risks?

[4 marks]

Continued.....

(b) What are the components of audit risk?

[3 marks]

(c) Illustrate an internal control flowchart involving supervisor, user and administrator when the user wants to apply for an advance payment request manually. Include at least an internal control.

[3 marks]

Continued.....

QUESTION 3

(a) List FOUR types of personal traits of executives which might help to uncover fraudulent activities in an organization.

[2 marks]

(b) Misappropriation of assets can involve various schemes: expense reimbursement fraud, lapping and payroll fraud. Explain each of the schemes and give an example of each.

[3 marks]

Continued.....

(c) Describe FIVE social engineering methods a hacker might use to penetrate a business network system.

[5 marks]

QUESTION 4

(a) Classify each of the following either as a field, record or file interrogation:

(i) Missing data check
(ii) Range check
(iii) Sequence check
(iv) Numeric-alphabetic data check
(v) Expiration date check
(vi) Version check

[3 marks]

Continued.....

(b) As an IT auditor, what are the concerns that you should be mindful of and avoid in using test decks and integrated test facilities?

[3 marks]

(c) Describe FOUR implications of electronic versus paper evidence for IT auditors.

[4 marks]

Continued.....

Part B: Attempt only ONE question.

QUESTION 5

International Business Machines Corporation (IBM) is an American multinational technology and consulting corporation, with headquarters in Armonk, New York, United States. Apart from manufacturing and selling computer hardware and software, IBM offers IT infrastructure, hosting and consulting services.

(a) Which types of IT audit would you most likely perform for IBM?

[1 mark]

(b) How might you use COSO to help in constructing an internal control system for IBM?

[5 marks]

Continued.....

(c) What are the possible threats that might be found in IBM's intranet? How do you control the threats to an acceptable level?

[4 marks]

Continued.....

QUESTION 6

Mi Mexico, Inc., a national fast food restaurant chain, recently hired consultants to build a data mart containing its sales data. The company owns and operates 174 stores, with average annual revenue of $650,000 per store. Mi Mexico has an enterprise information system that integrates its accounting, human resource and distribution subsystems. Appropriate sales data from the enterprise system is automatically sent to the data mart. The marketing and sales department queries the data mart to learn about sales trends and patterns.

(a) Describe the business, audit, security and continuity risks that are associated with the new data mart.

[4 marks]

(b) How might you use Cobit's domains to help in constructing Mi Mexico's internal control system?

[4 marks]

Continued.....

(c) Identify the exposures of Mi Mexico's data mart.

[2 marks]

End of Page